

July 2017

Quarterly Newsletter
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MI Student Aid 'Goes Nuts' in New Partnership

MI Student Aid

Michigan Department of Treasury
Student Financial Services Bureau
www.michigan.gov/mistudentaid
mistudentaid@michigan.gov
1-888-447-2687

[Order Free MI Student Aid Publications](#)



Michigan students and families attending a [Lansing Lugnuts](#) game this summer will have the opportunity learn about the financial resources readily available to help pay for college.

The Lugnuts, a minor league baseball team affiliated with the Toronto Blue Jays, and the MI Student Aid Outreach Team will be participating in a summer information and education campaign at more than 15 home games, with an exclusive showcase on "Harry Potter Night" scheduled for August 19, 2017.

The MI Student Aid Outreach Team will run promotions in between innings that will include video advertisement, digital signage and giveaways to fans. In addition, all tickets to home games ordered online will include information on how to connect with MI Student Aid.

TIP Application Deadline is Right Around the Corner!

Students eligible for the [Tuition Incentive Program](#) (TIP) are running out of time to complete their applications. All TIP applications must be received by August 31



Social media is a great way to connect with MI Student Aid. Followers are provided with the tools and resources needed to plan financially for college. Follow us @mistudentaid on [Facebook](#), [Twitter](#), [Instagram](#) and Snapchat.

FAFSA Coming Soon



The Free Application for Federal Student Aid, better known as FAFSA, becomes available for the 2018-2019 academic year on October 1, 2017! The application is completely free and provides access to grants, loans, and work-study funds from the federal government. Submitting the FAFSA is the best way to ensure a student is considered for federal, state, and institutional aid.

of the students' graduating year from high school or its recognized equivalent.

TIP is a program that encourages eligible students to complete high school by providing tuition assistance for the first two years of college and beyond in Michigan. For a student to be eligible for TIP, they need to have or have had Medicaid coverage for 24 months within a 36-consecutive month period between age 9 and high school completion.

Students eligible for TIP are encouraged to complete their applications on the [MISSG Student Portal](#). Students can also complete applications by calling 1-888-447-2687.

'Rep Our Country' in the MI Student Aid Snapchat Contest



Enter for your chance to win a MI Student Aid Prize Pack, which contains a Bluetooth speaker, t-shirt, sunglasses, AC wall adapter, water bottle, and more!

The first step to completing the FAFSA is to create a Federal Student Aid (FSA) ID, which is made up of a username and password, and allows you to electronically sign and submit the application.

Most students under 24 are considered dependent students. Dependent students will have to provide their parents' information. Parents will be required to sign the application as well, and will also need to create a FSA ID. To create a FSA ID, visit studentaid.gov/fsaid. For more information on dependent vs. independent student status, visit <https://studentaid.ed.gov/sa/fafsa/filling-out/dependency>.

To complete the FAFSA, which becomes available October 1 of every year, visit fafsa.gov and select Start A New FAFSA for all first-time applicants. The FAFSA must be submitted each school year. Returning applicants can select Login using their FSA ID.

The FAFSA requires federal tax information to calculate a student's eligibility for financial aid. For the 2018-2019 FAFSA, students and parents will use tax information for 2016.

The IRS Data Retrieval Tool (DRT) provides tax data that automatically fills in information for the FAFSA. While the IRS had turned off the DRT in spring of 2017 due to security concerns, the DRT will be available October 1.

Student Loans - What You Need to Know

When looking at your financial aid options, there are a lot of factors to consider, especially when it comes to taking out student loans. Taking out

MI Student Aid is holding a contest through our Snapchat account. The theme for the July contest, in accordance with Independence Day, is "Rep Our Country" where followers are encouraged to send in selfies wearing red, white and blue. The contest begins July 10 at Noon and will end July 14 at 11:59 p.m.

The contest rules are simple. To enter, just follow MI Student Aid on Snapchat, @mistudentaid, and send a snap dedicated to the monthly theme.

[See official rules.](#)

MET Gives Away \$1,529 in Prepaid College Tuition



May 29, 2017 was more than just a date on a calendar—it was also 529 Day, a day to help raise awareness of 529 college savings plans. May 29 was also the day Matt Morawski won \$1,529 worth of prepaid tuition through Michigan Education Trust's (MET) 529 Awareness Week Sweepstakes.

Matt and his wife, Sarah Mayberry Morawski, were beneficiaries of MET contracts when

student loans is a big decision, but it is a common one. You've probably heard the stats: the average class of 2016 graduate has over \$37,000 in student loan debt. Multiply that by about 44 million borrowers and you get over \$1.3 trillion. Taking out loans is a big decision and understanding how they work is important.

Be aware that loans are borrowed money and need to be paid back with interest. They are offered by the federal government as well as private lenders. Federal loans require a completed FAFSA, whereas private lenders will have a separate application process. There are two main types of federal student loans, subsidized and unsubsidized. Subsidized loans are available to students with financial need and unsubsidized loans are available to students regardless of financial need. PLUS loans are available to graduate or professional students and parents of dependent undergraduate students to help pay for expenses that are not covered by other financial aid options. Starting with your federal options before going to private options is advised as federal loans tend to have lower interest rates as well as better repayment terms than private loans.

Depending on the profession you choose, you may be eligible for student loan forgiveness programs down the road. Forgiveness means that you are no longer expected to repay your loan. Teacher Loan Forgiveness is available to those who teach full-time for five complete and consecutive academic years in certain elementary schools, secondary schools and educational service agencies that serve low-income families and meet other qualifications. The Public Service Loan Forgiveness (PSLF) Program forgives the remaining balance on your Direct Loans after you have made 120 qualifying monthly payments under a

they were in college. MET contracts purchased by their families covered their undergraduate tuition—Matt at Wayne State University and Sarah at the University of Michigan. As a result, unlike many of their friends and classmates, they finished their undergraduate degrees without going deep into debt, Matt said.

Matt called the sweepstakes prize of a \$1,529 MET Pay-As-You-Go contract “a perfect plan for us.”

“With three kids, college is a big fear of mine,” he said. “We’ve just kind of been setting money aside for college and deciding exactly what to do with it.”

MET’s Pay-As-You-Go option allows purchasers to buy contracts by the credit hour rather than in semester increments. Once the initial credit hour is purchased, contract holders can make additional contributions in increments as little as \$25. In addition, friends and family members can also contribute to the contract.

MET is Michigan’s Section 529 prepaid tuition program that locks future tuition at any of the state’s public universities and colleges at today’s rates. The total contract price is eligible for a state tax deduction, and earnings are tax-exempt if used for qualified higher education expenses. MET contract refunds can be used at out-of-state and Michigan private colleges and universities, or contracts may be transferred to other eligible family members. More than 96 percent of high school graduates with MET contracts have attended a college or university.

For more information about MET and Pay-As-You-Go visit www.SETwithMET.com or call 800-MET-4-KID.

qualifying repayment plan while working full-time for a qualifying employer, such as a government agency or a non-profit.

You should also be conscious of the consequences of not being able to pay back your loans, or default. Default is the failure to repay a loan according to the terms agreed to in the promissory note. For most federal student loans, you will default if you have not made a payment in more than 270 days. Your credit score will be damaged and you may experience serious legal consequences, such as wage garnishment if you go into default.

For more detailed information, visit the Federal Student Aid website [here](#), visit our website [here](#) or call our office at 1-888-447-2687.